

GARFIELD COUNTY ATTORNEY  
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Garfield County (Colorado) Treasurer

Hearing Date and Time  
October 14, 2009 @ 10:00 a.m.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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**In re:** ) **Chapter 11**  
 )  
**LEHMAN BROTHERS HOLDINGS INC., et al.** ) **Case No. 08-13555 (JMP)**  
 )  
**Debtors.** ) **(Jointly Administered)**  
 )  
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**DECLARATION OF GEORGIA CHAMBERLAIN, GARFIELD COUNTY  
TREASURER, IN SUPPORT OF MOTION FOR (I) A DETERMINATION  
THAT THE AUTOMATIC STAY DOES NOT APPLY, OR, (II) IN THE  
ALTERNATIVE, RELIEF FROM THE AUTOMATIC STAY, AS  
APPLIED TO TAXES DUE FROM DEBTOR LB ROSE RANCH, LLC**

I, Georgia Chamberlain, declare under penalty of perjury under the laws of the United States of America, that the following statements are true and correct.

1. I am the Treasurer of Garfield County, Colorado, with offices located at 109 8<sup>th</sup> Street, #204, Glenwood Springs, Colorado. The Garfield County Treasurer is an elected position. I have been serving in this position continuously since 1987.

2. I am submitting this declaration in support of the Garfield County Treasurer's Motion for (i) a Determination that the Automatic Stay Does Not Apply, or, (ii) in the Alternative, Relief from the Automatic Stay, as Applied to Taxes Due from Debtor LB Rose Ranch, LLC ("Motion").

3. The procedures for collection of taxes in Colorado are established by state law.

4. Debtor, LB Rose Ranch, LLC (“Debtor”), owns real property in Garfield County, Colorado, identified in various tax schedules. Attached as Exhibit A hereto is a summary of all real property tax schedules and the 2008 real property taxes due from Debtor on its Garfield County properties, including interest accrued through September 2009 and estimated taxes for tax year 2009.

5. The estimated taxes for 2009 will not be fully established until the end of the year in 2009, by which time all of the taxing entities will have determined their mill levies. Following that, the 2009 tax notices will be mailed to Debtor and all other taxpayers in Garfield County in late January 2010.

6. Under the Colorado statutory scheme, every taxpayer receives a statement of taxes due around the end of January. Debtor was mailed its tax notices for the 2008 taxes due at the end of January 2009, each in the form shown by example on Exhibit B.

7. In January 2009, my office mailed over 33,000 tax notices to the taxpayers within Garfield County.

8. In Colorado, *ad valorem* property taxes become delinquent if not paid in full by June 16 of each tax year, after which notices of delinquent taxes are mailed. These notices of delinquent taxes are generated by a computer based upon computer entries of taxes paid, and this computerized system has been in use for at least the past ten (10) years. For schedules for which no taxes at all have been paid, as is the case with Debtor, interest begins to accrue at the statutory rate of 1% per month as of May 1.

9. In July 2009, approximately 2,880 delinquent tax notices were mailed to those taxpayers who had not paid taxes in full as of June 16, 2009. Debtor, having failed to pay any 2008 taxes, was mailed such notices for each scheduled real property listed on Exhibit A, each in the form shown by example on Exhibit C. This year’s tax lien sale is set for November 19, 2009,

and the required public notices will need to be published beginning October 22, 2009, with the requested notice provided to the newspaper no later than October 15, 2009.

10. The taxes collected by the Treasurer's Office include not only taxes for county government, but also other taxing districts. As shown on the sample tax statement attached hereto as Exhibit B, such taxing entities for the area of the county in which Debtor owns its property include the Carbondale Fire District, the RE-1 School District, Colorado Mountain College, and separate taxes for Garfield County, the Garfield County Road and Bridge and Garfield County Human Services, among others. As Treasurer, when taxes are paid, I distribute such taxes to each of the taxing entities in accordance with the mill levies for those entities.

11. As an example, for the general school district levy, the failure of Debtor to pay its 2008 taxes means that the school district will not receive \$161,660.38 on account of its taxes for tax year 2008. All the other tax entities are similarly affected.

12. Colorado county treasurers conduct the tax lien sales in an effort to collect and distribute tax revenues to the tax entities in a timely fashion.

DATED this 17<sup>th</sup> day of September, 2009.

/s/ Georgia Chamberlain, original signature on file  
Georgia Chamberlain

SUBSCRIBED AND SWORN to before me this 17<sup>th</sup> day of September, 2009.  
Witness my hand and official seal.  
My commission expires: June 21, 2011.

/s/ Carolyn Cottrell, original signature on file  
Notary Public